SMALL BUSINESS FORGIVABLE LOAN

PROGRAM

Purpose:

Promote in-fill and redevelopment in targeted areas throughout Muscatine.

Process:

Allow 30 days for approval and agreement

- Determine if your business property is located within one of the target districts
- Read loan program documents
- Prepare a budget for all improvements to be made
- Submit complete application and application fee to the City Administrator's Office
- Application is reviewed by loan program review committee. The review committee is appointed by the City Administrator (For example, City Administrator, Community Development Director, City Staff, Chamber CEO or other designees)
- Once the application is reviewed by the committee, an agreement between the business and the City of Muscatine will be completed. A personal guarantee is required.
- Review committee will make a recommendation to the City Administrator.
- Small Business Forgiveable Loan will be made for up to \$25,000.00 for a term of 5 years with 20% forgiven upon the anniversary of loan origination, business must remain in good standing to receive loan forgivness.
- An annual summary and verification report will be due on the anniversary of loan origination to the City Administrators Office. The year one report shall verify all project and grant expenses.

Program:

The City of Muscatine is offering Small Business Forgivable Loans for startup and expansion cost. Businesses can obtain a loan for up to \$25,000 for the business at a term of 5 years with 20% of the original loan forgiven annually at the anniversary of the origination of the loan. Funds are allocated up to \$15,000 for startup cost and up to \$10,000 for code compliance. Businesses receiving funding must be new businesses or be significantly expanding business operations to be eligible. The City has allocated \$100,000 in funding annually. Funds will be awarded to qualifying businesses based on availability of funds.

Evaluation Criteria:

Historic preservation compliance, ADA access, fire safety improvements, building code requirements, additional investment, new business creation, significant expansion of current business, business plan, personal financial statement credit report review, and small business determination.



Objectives:

- Improve Building Infrastructure
- Assist with Capital Equipment Purchases and Fixtures
- Offset Cost of Historic Building Preservation
- Offset Cost to Address ADA Access Issues
- Offset Cost of Fire Code Compliance, Sprinkler Systems, Egress Issues
- Allow Businesses to Allocate Additional Funds to Grow and Expand Business

Application Deadlines:

- Applications are reviewed quarterly based on financing availability. Deadlines for quarterly review are January 1, April 1, July 1, and October 1.

Additional Details:

- Loan agreement and documents must be finalized before project and any work can begin. Work done prior to award may not be eligible for funding.
- Beginning the third quarter of 2015, July 1 deadline, Applicants can request startup funding to include lease or rental expenses for a storefront or office space in the downtown district, maximum of \$12,000. Priority funding towards infrastructure related costs.
- Applicant must meet 2:1 (applicant investment v. grant funding). Inventory is not an eligible grant funded expense but does count toward match.
- Applicant will need to complete credit report release form and personal financial statement.
- Applicant must have good credit
- City will file a UCC-1 Form to secure a position as a creditor for its loan until expiration.
- Applicant will submit application fee of \$35.00 to cover credit report and USS filing



Exclusions:

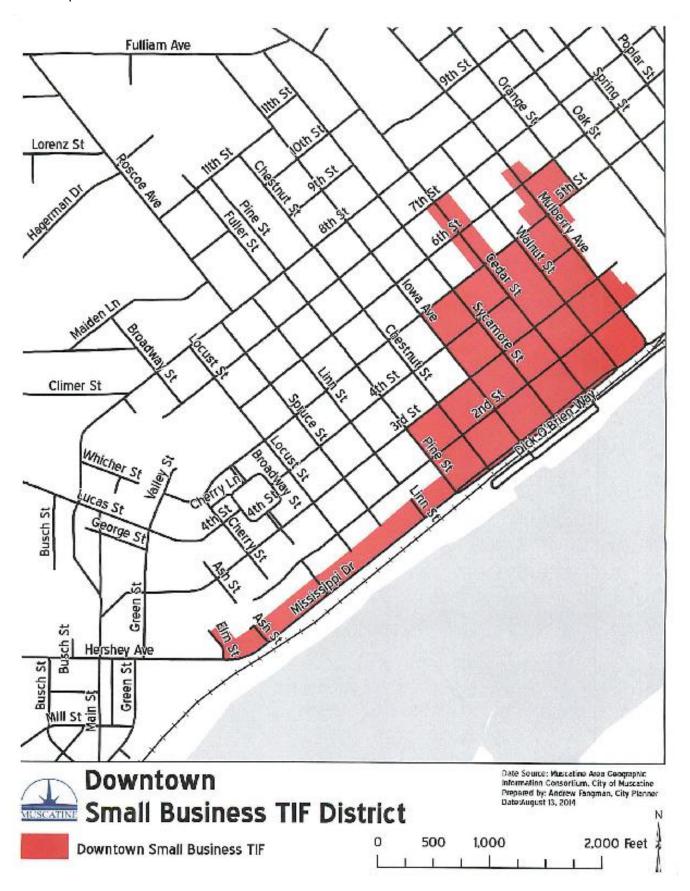
- Multi-family residential properties
- Businesses engaged in the business of lending, such as banks, payday lenders, and pawn shops
- Businesses engaged in body art and/or piercings
- Businesses engaged in the sale of automobiles, auto parts, repair of automobiles and tire shops
- Businesses offensive to the senses by sound, vibration, dust, odor, emissions, or excessive lighting
- Or businesses as determined by the review committee

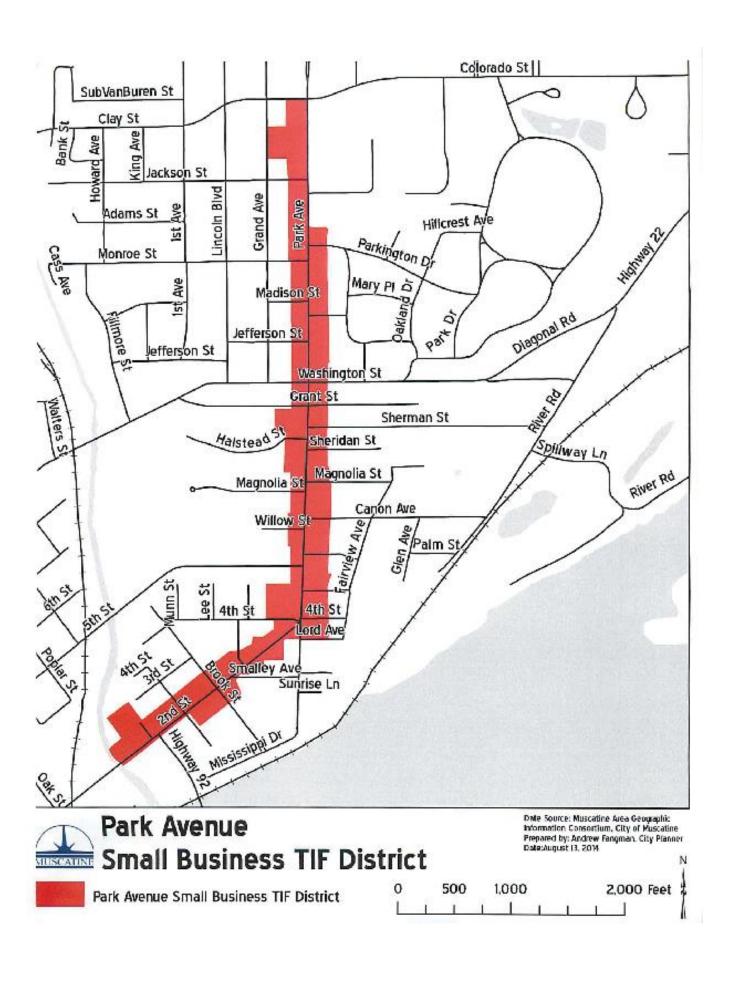
Additional Effective SBA Exclusions

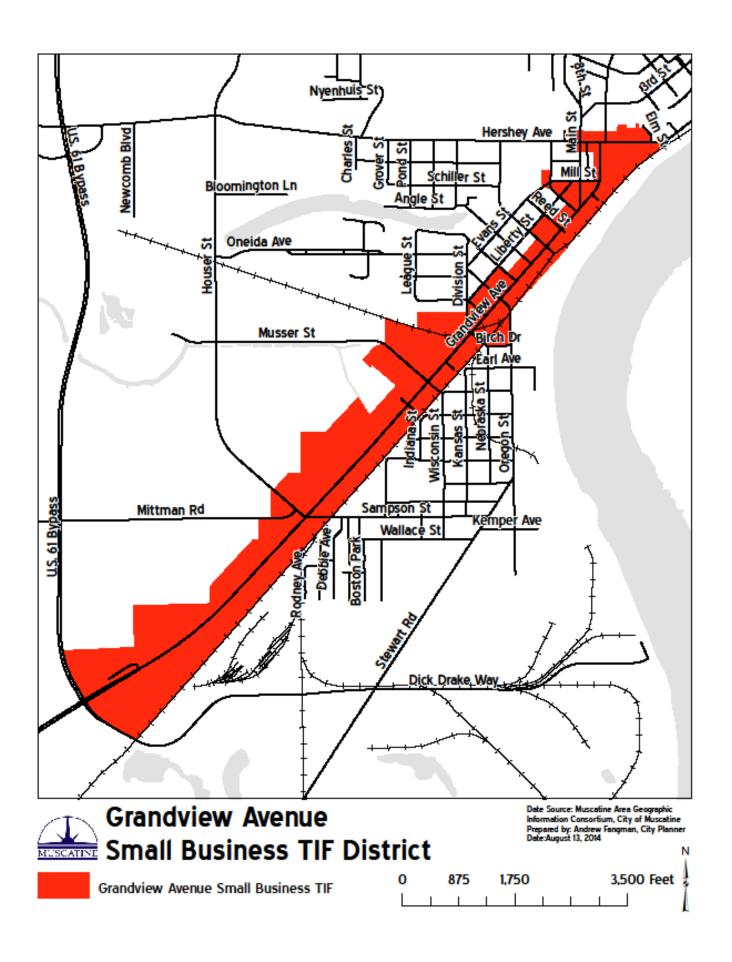
- A business located in a foreign country or owned by undocumented (illegal) aliens.
- A pyramide sale distribution plan.
- Deriving more than one-third of gross annual revenue from legal gambling activities.
- Engaged in any illegal activity.
- Requires membership and limits the number of memberships for reasons other than capacity.
- A government-owned entity (a business owned or controlled by a Native American tribe is eligible if the business is a legal entity separate from the tribe).
- Principally engaged in teaching, instructing, counseling, or indoctrinating religion or religious beliefs, whether in a religious or secular setting.
- A consumer or marketing cooperative.
- A loan packager earning more than 1/3 of its gross annual revenue from packaging SBA loans.
- A business which presents live performances of a prurient sexual nature or derives directly or indirectly more than 5% of its gross revenue from the sale of products or services, or the presentation of any depictions or displays, of a prurient sexual nature.
- A business that is primarily engaged in political or lobbying activities.
- A motel, recreational vehicle park, campground, marina or similar type of business unless the applicant derives 50% or more of its gross annual income from transients who stay for 30 days or less at a time.
- A business that is primarily engaged in subdividing real property into lots and developing it for resale on its own account or in owning or purchasing real estate and leasing it for any purpose.
- A medical facility or residential care facility.
- A mining operation.



District Maps:







City of Muscatine, Iowa Small Business Forgivable Loan Program Forgivable Loan Application

Application Deadlines: The first day of January, April, July, and October Loan agreement and documents must be finalized before project and any work can begin.

Work done prior to award may not be eligible for funding.

BUSINESS NAME:	DATE:						
Contact Name:							
Business Address:	Business Phone:						
Contact Address:	Contact Phone:						
Email:							
(If different than above)							
Please describe in detail the NewBusiness and its operations (such as target market, market size,							
industry, market competitors, projected sales and revenue, business financing, and other relevant							
business operational information): Please attach to application with submittal							

Please describe the Project and the way it will benefit the Business: **Please attach to application**

with submittal

- If the Project involves construction on or improvements to real property, please indicate in your description of the Project whether the Business owns the real property, or attach written consent of the property owner to the improvements.
- If the Project includes the purchase and installation of equipment or internal attachments, please indicate in your description of the Project whether the hardware is permanently attached or removable.
- Please identify any improvements being undertaken as part of the Project that are intended to bring a building into compliance with the City's historical code requirements.
- Please identify any improvements being undertaken as part of the Project that are intended to bring a building into compliance with the City's fire code requirements including sprinkler and exiting improvements.
- Please identify any improvements being undertaken as part of the Project that are intended to bring a building into compliance with the accessibility requirements of the Americans with Disabilities Act.

Attach any drawings, plans, consents, etc.

Estimated total cost of Project:
Please attach a detailed list of Project costs to application with submittal: A. Code Improvement (up to \$10,000) B. Startup Cost (up to \$15,000)
Timeline: Please attach to application with submittal
Please note that project must be completed within one year of approval.
Estimated Start Date:
Estimated Project Length:
Estimated Completion Date:
Any special needs/requests:
Feel free to attach any and all additional information/pages needed to fulfill information required for the application.
Return this application, all documents, and application fee of \$35.00 (checks payable to City of Muscatine) to the City Administrator at 215 Sycamore, Muscatine, IA 52761 or email to gmandsager@muscatineiowa.gov. Thank you!

Personal Financial Statement:

PERSONAL FINANCIAL STATEMENT IMPORTANT: Read these directions before completing this statement. 🗆 If you are applying for individual credit in your own name and are relying on your own income or assets and not the income or assets of another person as the basis for repayment of the credit requested, complete only Sections 1 and 3. 🗆 If you are applying for joint credit with another person, complete all Sections providing information in Section 2 about the joint applicant. 🗔 If you are applying for individual credit, but are relying on income from alimony, child support, or separate maintenance or on the income or assets or another person as a basis fore repayment of the credit requested, complete all Sections, providing information in Section 2 about the person on whose alimony, child support or maintenance payments or income or assets you are relying. If this statement relates to your guaranty of the indebtedness of other person(s), firm(s) or corporation(s), complete Sections 1 and 3. TO: SECTION 1 - INDIVIDUAL INFORMATION (Type or Print) SECTION 2 - OTHER PARTY INFORMATION (Type or Print) Name Name Residence Address Residence Address City, State & Zip City, State & Zip Position or occupation Position or occupation Business Name Business Name **Business Address** Business Address City, State & Zip City, State & Zip Bus. Phone Res. Phone Bus. Phone Res. Phone S.S. No Date of Birth Date of Birth S.S. No. SECTION 3 - STATEMENT OF FINANCIAL CONDITION AS OF ASSETS IN DOLLARS IN DOLLARS LIABILITIES (Omit cents) (Do not include Assets of doubtful value) (Omit cents) Cash on hand and in banks \$ Notes payable to banks - secure \$ U.S. Gov't. & Marketable Securities (see Schedule A) Notes payable to banks - unsecured Non-Marketable Securities (see Schedule B) Notes payable to relatives Real Estate Owned (see Schedule C) Unpaid taxes Notes Receivable Real estate mortgages payable (see Schedule C) Furniture & Fixtures Other debts (see Schedule E) **Automobiles** Cash Value - Life Insurance (see Schedule D) Other assets - Itemize: TOTAL LIABILITIES **NET WORTH** \$ TOTAL LIABILITY AND NET WORTH Total Assets SOURCES OF INCOME FOR YEAR ENDED PERSONAL INFORMATION (Give details on back) Do you have a will Yes No If so, name of executor: Salary, bonuses & commissions Dividends Are you a partner or an officer in any venture? If so, describe: Real estate income ☐ See back. Other Income: Alimony, child support, or separate maintenance income need not be revealed if you do not wish to have it considered as a basis for repaying this obligation. Are you obligated to pay alimony, child support or separate Alimony, child support, separate maintenance received under: a court order written maintenance payments? If so, describe: agreement $\ \square$ oral understanding . (If this application is being taken orally, this preceding statement should be read prior to asking any questions concerning income). Are any assets pledged other than as described on schedules? TOTAL CONTINGENT LIABILITIES Income tax settled through (date): Do you have any contingent Liabilities? If so, describe. Are you a defendant in any suits or legal actions? As indorser, co-maker or guarantor? \$ Personal bank accounts carried at: On leases or contracts?

(COMPLETE SCHEDULE AND SIGN ON REVERSE SIDE)

Have you ever been declared bankrupt in the last 14 years?



Legal claims

IBA NO. 61

Other special debt

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The information contained in this statement is provided for the purpose of obtaining, or maintaining credit with you on behalf of the undersigned, or persons, firms or corporations in whose behalf the undersigned may either severally or jointly with others execute a guaranty in your favor. Each undersigned understands that you are relying on the information provided herein (including the designation made as to ownership of property) in deciding to grant or continue credit. Each undersigned represents and warrants that the information provided is true and complete and that you may consider this statement as continuing to be true and correct until a written notice of change is given to you by the undersigned. You are authorized to make all inquiries you deem necessary to verify the accuracy of the statements made herein, and to determine my/our creditworthiness. You are authorized to answer questions about your credit experience with me/us. The undersigned acknowledge(s) receipt of a copy of this instrument.														
DATE														
SIGNATURE (INDIVIDUAL)				SIGNATURE (OTHER PARTY)										

Credit Report Release Form:

Credit Bureau of Muscatine, Inc.

PO Box 388 / 312 Sycamore St Muscatine, IA 52761

Phone: 563-263-1131 / Fax: 563-263-1944

APPLICATION FOR EXTENSION OF CREDIT AND/OR TENANT SCREENING

First Name	M.I.	Last Name					
Address		City & State	ZIP				
Social Security #	// Date of Birth	Current Employment	-				
() () Home Phone # Work Phone #							
I certify that the information contained above is accurate and belongs to me. I also grant CB Muscatine the right to pull and verify any of the information on my personal national credit report (s).							
Applican	ts Signature	// Today's Da	te				

Form is property of The Credit Bureau of Muscatine, Inc.